



**Directorate of  
Intelligence**

**Secret**

25X1

# **China's Party Conference: The Waning of the *Ancien Régime***

25X1

**An Intelligence Assessment**

**Secret**

EA 85-10197  
CR 85-16071  
November 1985

**Copy 301**

25X1

**Page Denied**



Directorate of  
Intelligence

Secret

25X1

# China's Party Conference: The Waning of the *Ancien Régime*

25X1

An Intelligence Assessment

This paper was prepared by the Domestic Policy Branch, Office of East Asian Analysis, and the China Branch, Office of Central Reference. Comments and queries are welcome and may be directed to the Chief, China Division, OEA, on

[redacted]

25X1

25X1

Secret

EA 85-10197  
CR 85-16071  
November 1985

**Secret**

25X1

**China's Party Conference:  
The Waning of the  
Ancien Regime**

25X1

**Summary**

*Information available  
as of 20 October 1985  
was used in this report.*

From 12 to 24 September, the Communist Party of China held an unprecedented series of meetings that together constitute a major milestone in Deng Xiaoping's decade-long struggle to restructure the party leadership. In two plenary sessions of the Central Committee and an extraordinary conference of party delegates, Deng managed to significantly weaken the conservative party old guard, promote his allies to the top party organizations, reduce the influence of China's senior military officers, and win a new party endorsement of economic reform. Specifically:

- One-quarter of the 210-member Central Committee, including 10 of the 27 members of the Politburo, resigned.
- Ninety-one younger leaders were named full or alternate members of the Central Committee.
- Six new members joined the Politburo—five for the first time and one promoted from alternate—and five were added to the Secretariat.
- The Central Committee approved guidelines for the 1986-90 Five-Year Plan that strongly reaffirm the reformist course of economic policy.

We believe Deng accomplished most of his short-term objectives at the meetings:

- The balance of forces in the Politburo and the Central Committee has shifted to the reformers.
- The influence on decisionmaking of the party's old guard, and especially its military contingent, has been significantly reduced.
- The leading reformers placed proteges on both the Politburo and Secretariat. Hu Yaobang put three on each body and Zhao Ziyang one.
- Serious economic performance problems, and growing conservative criticisms of reform policies, were not allowed to derail the economic development program approved in 1984.

Despite these important gains, the meetings did not resolve all of Deng's short-term political problems. His most forceful conservative critics, namely Chen Yun and Peng Zhen, remain on the Politburo and will try to restrain political and economic reform plans. Party conservatives maintain a strong foothold in the propaganda apparatus and will continue to insist on

**Secret**

25X1

[Redacted]

justifying economic policies on strict ideological grounds. Moreover, it appears that the reformers did not get all the top appointments we believe they had sought. In particular, there has been no confirmation that the September sessions endorsed Deng's succession plan, which calls for Hu Yaobang to replace Deng as chairman of the party's Military Commission and Hu Qili to succeed Hu as General Secretary.

Over the long term, the leadership changes Deng put in place at the September meetings will assume greater significance. In our view, the meetings mark a major turning point in the generational transfer of power. Although the old guard remains influential, little now bars the way to consolidation by the successors on the Politburo and Secretariat. We also believe the restructured party leadership will be more energetic and flexible than its predecessor, and better able to carry out its decisionmaking functions.

Deng is changing the social and ideological base of the party. The reconstituted Central Committee heralds the ascendancy of the polytechnic institute graduates over the peasant activists, soldiers, and intellectuals of the older generation. The new leaders are more sympathetic to Deng's brand of "socialism with Chinese characteristics": free of 19th-century dogma and able to absorb the technologies and ideas of capitalist countries, while maintaining the party's dominance in all political matters.

The resounding vote of confidence in economic reform policies contained in the five-year-plan guidelines means that Beijing will continue its trial-and-error approach to economic development—reducing the role of central planning, refining its use of macroeconomic levers to control the economy, yet permitting greater individual initiative and free market activity. The debate over the optimum development strategy will persist, and reform policies must continue to show gains to stave off conservative critics, but we believe the reformers have an extended mandate to make bold changes in China's economy. The conservative tone of major leadership speeches at the party conference indicates that more attention will be paid to the ideological dimension of the reforms, perhaps at the cost of some confusion within the economic bureaucracy and among foreign investors.

**Secret**

iv

**Secret**

25X1

The reduction in military influence achieved at the meetings puts control of the armed forces more securely in civilian hands than has been the case in decades. We believe Deng will seek to follow up these gains by making more changes in the military hierarchy, bringing forward a younger, more politically pliant high command better able to carry out effective military modernization.

Finally, the September meetings set the stage for what will probably be Deng's last effort to resolve the succession issue. We expect Deng to press for his second-stage succession arrangements and make further preparations for his retirement. We believe he will try to carry the remaining members of the old guard into retirement with him, probably before the scheduled 13th Party Congress in 1987.

25X1

Secret

25X1

## Contents

	<i>Page</i>
Summary	iii
Deng's Goals	1
Preconference Tensions	3
Personnel Shakeups	3
Economic Woes	3
Official Corruption	3
Leaders Under Fire	6
Heated Exchanges	7
The September Sessions	7
The New Leadership	10
The Central Committee	10
The "Leading Organs"	11
A Short-Term Balance Sheet	14
Deng's Achievements	14
What Deng Did Not Get	15
Longer Term Outcomes: Old Cleavages Reexamined	17
The Generation Gap	17
Reformers Versus Planners	17
Civilians Versus Soldiers	18
The New Agenda	19

## Appendices

A.	September 1985 Party Delegates Conference	21
	Extracts From Major Speeches	29
C.	The Reconstituted Leadership	39

25X1

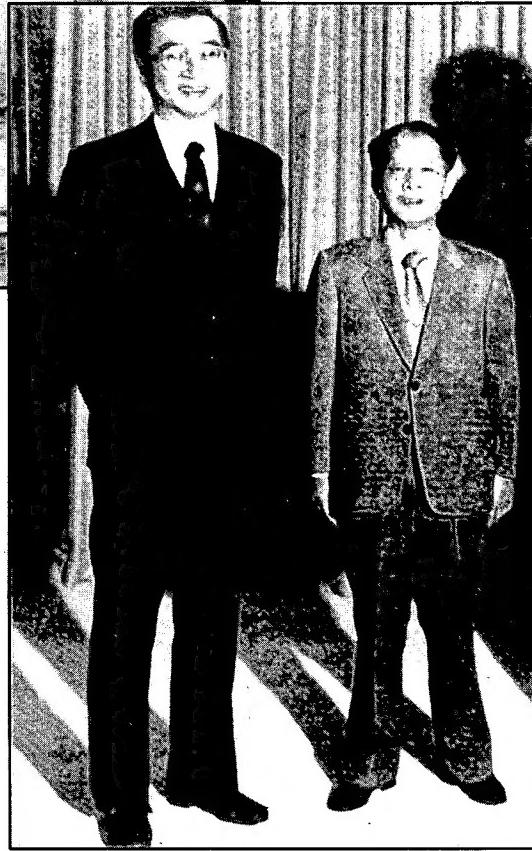
Secret

25X1



Deng Xiaoping,  
China's paramount leader  
and the driving force  
behind the September  
party meetings.

*Source: Camera Press.*



Party General Secretary Hu Yaobang  
(right) and his protege, Hu Qili, put the  
organizational pieces in place for the  
September sessions and benefited  
themselves in the process.

*(Photo was taken during an official  
tour of Australia.)*

307382 11-85

25X1

Secret

**Secret**

25X1

**China's Party Conference:  
The Waning of the  
Ancien Regime**  

25X1

From 12 to 24 September, the Communist Party of China held an unprecedented series of meetings devoted to resolving longstanding personnel problems and to laying down guidelines for the Seventh Five-Year Plan (1986-90). Altogether, there were four separate sessions:

- A Central Committee work conference, 12-16 September, at which the general agenda for the meetings was probably presented and discussed in various forums.
- The Fourth Plenary Session of the 12th Central Committee on 16 September, which accepted 65 resignations from the Central Committee and approved a resolution to hold a national "Conference of Party Delegates."
- The Conference of Delegates itself met from 18 to 23 September, approved the addition of 56 full and 35 alternate members to the Central Committee, heard major speeches from the party's five top leaders, and adopted a resolution on guidelines for the coming five-year plan.
- The Fifth Plenum of the revised Central Committee convened on 24 September, elected a new Politburo and Secretariat, and approved personnel changes in other party bureaucracies.

25X1

25X1

The meetings are a major milestone in Deng Xiaoping's decadelong struggle to restructure the party's leadership and change its method of decisionmaking. The September sessions must be viewed, however, not only in light of Deng's reconfiguration of the balance of political forces within the leadership, but also in terms of their long-run implications for the continuity and stability of the political and economic reforms Deng has set in motion.  

#### **Deng's Goals**

Since his return to power in 1977, Deng has had to work with a Politburo not of his own choosing, and

one that did not fully support either his ambitions or his policy preferences. Composed of a mélange of Maoist holdovers, aged soldier-politicians, old-line economic planners and administrators, and provincial bureaucrats who benefited from the Cultural Revolution, the Politburo essentially stood between Deng and his larger goals of political and economic reform. Even after he achieved a position of dominance in 1978, Deng constantly had to compromise, bargain, cajole, and maneuver the party old guard to attain his ends—a politically costly and time-consuming process that Deng mastered but realized he had to change.  

25X1

Since 1978, Deng has sought to ensure the continuity of his political and economic reforms by securing powerful positions for his chosen political heirs. Deng has been motivated all along by the traditional goal of Chinese statesmen, the search for national wealth and power. In our view, Deng well understood his potentially historic role and single-mindedly has forged his ideas into policy. The most pressing, and politically most volatile, issue was the personnel question: Deng and his allies had to find the appropriate lever to pry long-serving, undereducated, and ideologically rigid officials away from their posts. To do this, the reformers required a corps of younger, better educated officials who could take over the hidebound bureaucracy and bring it into line behind Deng's policy initiatives.  

25X1

Deng in effect has sought to change both the sources of party legitimacy and the class basis of the party along pragmatic lines. Under Mao, the party had grown accustomed to justifying its leading place on doctrinal grounds: it once was sufficient to argue that the Chinese Communist Party, as the keeper of ideological truths and backed by the coercive force of the state, must be followed. Deng and his supporters

**Secret**

EA 85-10197  
CR 85-16071  
November 1985

Secret

---

***The Old Guard***

**25X1**

*The persistence of the old guard has been Deng's most powerful obstacle. Although their influence does not appear to have been exercised in a concerted way—that is, they never discernibly acted in league to block Deng—each prominent party conservative has been associated with a particular target of the reformers and presumably has provided support to those who battled reform at lower levels: Chen Yun and Li Xiannian with the Stalinist planning bureaucracy, Peng Zhen with the public security and legal apparatus, Deng Liqun and Hu Qiaomu with the propagandists and professional party workers, Ye Jianying and other senior soldiers with old-line commissars and commanders within the tradition-steeped military. Seldom initiators of policy programs themselves, old-guard leaders seemed more concerned to ensure that reforms never got to the point of negating certain important "revolutionary" concerns, such as party spirit, self-sacrifice, central control, social order, or the party's leading role.*

[redacted]

*Old-guard support extends deep into China's bureaucracy, where personal interests have always played a larger role. To a considerable extent, Deng created the problem by rehabilitating hosts of local officials deposed during the Cultural Revolution. Initially part of Deng's solution to the problem of Maoist policies, they became part of the problem: once rehabilitated, they felt entitled to "lifetime tenure," and resisted reformist calls to promote younger, better educated leaders. They also refused to implement reform measures they could not understand or feared would be quickly overturned if the political line changed.*

[redacted]

*Within the state bureaucracy, Stalinist planners found the new policies unpalatable. Motivated, in our*

*view, by fears for their job security, and limited by ideology and narrow experience, they insisted that Deng's policies courted economic disaster. Used to administering a command economy and society and to solving problems by slapping on additional controls, they saw little virtue in the relaxation of restraints and harped instead on how things could fall apart without strict adherence to a comprehensive blueprint that all could see and judge in advance.*

[redacted]

25X1

*Political and ideological cadres at all levels of the party also saw their positions jeopardized by Deng's emphasis on technical competence, managerial ability, and pragmatism in decisionmaking. First in the countryside, and later in the urban centers, "political workers" under the Deng-Hu regime found themselves with less and less to do and were continually buffeted by reform, rectification, and the threat of replacement. As reformers pronounced with increasing frequency that government and economic administration should be freed from the interference of party nonspecialists, political functionaries seized upon episodes like the "spiritual pollution" drive of 1983 as opportunities to reassert their authority and discredit the reforms.*

[redacted]

25X1

*Finally, the middle and upper ranks of the Chinese military have long been a concern of Deng and his political allies. Although the senior soldier-politicians have generally gone along with Deng's policies, several have never been comfortable with Hu Yaobang's outspokenness and his often strident advocacy of reform. In our view, the list of the officers' concerns was led by career anxieties—having come to expect lifetime tenure in service, Deng placed them under increasing pressure to retire in favor of younger commanders.*

[redacted]

25X1

Secret

**Secret**

25X1

recognized that, in the aftermath of a long train of policy debacles, the party's standing had plummeted, and that, to avoid a situation comparable to that of the Polish party, it must demonstrate, through expertise, its ability to rule. The reformers proposed to turn the country over to the experts and to disentangle politics from routine administration. For many party veterans, this was utter heresy. [redacted]

25X1

The policy views of Deng and his coterie of young reformers were also deeply disturbing to the party's old guard (see inset). To many, Deng's policies of promoting material incentives, encouraging peasants to seek profits and "get rich," loosening social controls, and opening China to Western influences were prescriptions for disaster and called into question the party's commitment to socialism. As Deng steadily progressed in implementing economic reform policies, the tension between socialist values and pragmatic economics came into sharper focus. [redacted]

25X1

The battle has been waged on an almost annual basis during the Deng era, and in each case the old guard—fighting against what its leaders perceived as the waning of the Communist vision of the future—made a stand and lost. Although the pragmatic politicians generally won the issue-related battles, they were not able to end the war, because the old guard maintained its strong position in the leadership. [redacted]

25X1

Thus, when Beijing announced at the Third Plenum in October 1984 that an extraordinary conference of party delegates would convene to "readjust" the Central Committee, Politburo, and Secretariat, it was widely recognized within the leadership that the conference could well be "the last battle." That is what made the stakes so high. [redacted]

25X1

#### **Preconference Tensions**

25X1

[redacted] the leadup to the September sessions was marked by intermittent tension and often heated exchanges within the top party leadership. The October 1984 decision to hold an extraordinary conference put the entire party on notice that Deng intended to pack the top party organs with younger supporters and would use the rejuvenated leadership to endorse an effective follow-on to the radical reform prescriptions of the October plenary session. A comprehensive

personnel overhaul in the provinces, economic problems, official corruption, and strains within the Politburo added to the pressure of the impending conference. [redacted]

25X1

#### **Personnel Shakeups**

To set the stage for the conference, the reformers embarked upon a wave of leadership reorganization. In midsummer 1984, personnel chief Qiao Shi announced that 40 percent of all managers and some 70 percent of party committee personnel in China's key enterprises did not pass muster and would be replaced by the end of 1985. In the spring of 1985, Hu Yaobang told foreign reporters that Beijing would complete by midsummer the replacement—begun in 1983—of approximately 70 percent of the top central and provincial leaders. Between April and August, 23 new party and government chiefs were appointed in 16 provinces, fulfilling Hu's prediction. Hu had also noted that 900,000 officials had retired through April and that, by yearend, he expected some 1.1 million more to do so. Finally, Hu publicly disclosed in April, while on tour in New Zealand, that the Army planned to reduce its ranks by some 1 million men by the end of 1986. [redacted]

25X1

#### **Economic Woes**

While pressing forward aggressively on personnel questions, however, the reformers were facing mounting economic difficulties. In his work report to the March 1985 session of the National People's Congress (NPC), Zhao Ziyang somberly conceded that problems in implementing the October party decision on urban reform, although anticipated, had been surprisingly severe. He acknowledged that inflation, rapidly declining foreign exchange reserves, overextension of rural credit, and excessive investment in capital construction late last year required abrupt corrective measures. [redacted]

25X1

#### **Official Corruption**

By connecting reports of increasing official corruption to the expansion of economic reform, conservatives further strengthened their critique of Deng's policies. Although the reformers had initiated a crackdown on economic criminals in October, too many enterprising spirits saw opportunities for windfall profits. Beginning in late 1984 and gradually escalating through the

Secret

---

**Context: Succession and Chinese Politics**

Succession has posed a perennial problem for China's Communist leaders. Mao Zedong repeatedly attempted to establish a stable line of political heirs, only to reconsider and undo his work in every case but one. When Mao died in 1976, the question of his immediate successor was finally resolved when Hua Guofeng, a darkhorse, added the post of party chairman to the premiership he assumed upon Zhou Enlai's death. Hua, of course, was to fare little better than Mao's earlier appointees and followed them into political oblivion. [redacted]

**Sinking Hua, Raising Hu.** By the time of the landmark Third Plenum of the 11th Central Committee in December 1978, Deng Xiaoping's succession plan consisted of two parts: dislodging Hua and establishing the leadership credentials of Hu Yaobang. The careers of Deng and Hu have been closely entwined, with Deng consistently exercising a careful stewardship over his protege's rise (Hu was named to the Politburo at the Third Plenum). Deng's progress against Hua, and his parallel effort in favor of Hu, can be seen in a series of steps taken between 1980 and 1982:

- February 1980: A plenary session of the Central Committee named Hu General Secretary and reestablished the party Secretariat, which took over day-to-day party affairs from Hua and the Politburo.
- September 1980: Zhao Ziyang replaced Hua as premier at a plenary session of the National People's Congress, a move that, according to Western media sources, had been secretly announced to party members several months earlier.
- December 1980: Following a series of high-level meetings, a specially convened party work conference endorsed Deng's choice of Hu as party chairman and Deng himself as head of the party Military Commission. Publicly, however, Hua continued to hold both titles.

- June 1981: A plenum of the Central Committee formally demoted Hua to last-ranking member of the seven-man Politburo Standing Committee, and designated Hu party chief and Deng chairman of the Military Commission.
- September 1982: The 12th Party Congress demoted Hua to mere member of the Central Committee, a position he continues to occupy. The position of party chairman was abolished in favor of party general secretary, which Hu assumed. [redacted]

**Enter the "Third Echelon."** In the spring of 1982, Deng and his allies began a series of organizational reforms within the party, government, and military that represented the first concerted assault on the founding gerontocracy that had monopolized the top posts. Deng and Hu began to tout the goal of creating a generation of younger, better educated, politically reliable successors, which in 1983 they ultimately labeled China's third echelon. (The first echelon consisted of older leaders like Deng who were no longer physically capable of working long hours but nevertheless remained the source of broad policy guidelines. The second echelon—relatively younger, more vigorous men like Hu and Zhao—were the main executors of policy.) Bureaucratic reform was pressed down through the provincial level in 1983, and in 1984 the first stage of party rectification lent added force to the organizational effort. [redacted]

The turnover in ministerial- and provincial-level officials provided graphic evidence of progress in bureaucratic rejuvenation. Of 40 ministries and state commissions, 35 had new ministers by the end of 1983. Another wave of changes was in place by 1985, and 15 ministries reshuffled in 1981-83 again received new, generally younger and better educated leaders. Similar changes occurred in the party bureaucracy. In

25X1

25X1

Secret

Secret

25X1

*China's 29 provincial-level administrations, Deng and company completed a virtual total turnover of party secretaries, governors, and department chiefs by mid-1985. The overwhelming majority of the new officials were third-echelon leaders in their forties and fifties.*

25X1

*Progress in the military was slower in coming but similarly sweeping when it arrived. A meeting of the party Military Commission in May-June 1985 publicly confirmed a million-man demobilization and began the process of mustering out thousands of superannuated or underqualified officers, merging 11 military regions into seven, and promoting a host of third-echelon officers who for years had been denied headroom by their elderly predecessors.*

25X1

*A New Succession Package. Since the December 1978 plenum, when Hu was named a member and Zhao Ziyang an alternate member of the Politburo, Deng's succession plans entailed passing party primacy to Hu and state authority to Zhao. In the early 1980s, Deng himself had often stated that he hoped to retire by 1985. As China's third-echelon leadership rose in prominence, however, we believe Deng recognized that a Hu-Zhao leadership would itself be only transitional and that the logic of establishing a third echelon had to be extended to the topmost leadership. Consequently, when Hu Qili was brought into the Secretariat at the 12th Party Congress in September 1982, he was widely spoken of as Hu Yaobang's successor. Similarly, when Li Peng and Tian Jiyun were made vice premiers in June 1983, they automatically became favorites to succeed Zhao as premier, with Li conceded the inside track due to his superior party credentials.*

25X1

*In the spring of 1985, rumors of a "third-echelon succession" began circulating in Beijing and Hong Kong.*

25X1

*Deng would pass the Military Commission to Hu Yaobang, who in turn would be replaced as general secretary by Hu*

*Qili. On the state side, Li Xiannian was reported ready to retire as president in favor of Zhao, and Li Peng would be promoted to premier.*

25X1  
25X1

*Although the September sessions produced no public declaration on the leadership plan, the shuffle was probably discussed and perhaps ratified for implementation at a convenient future date. As reported, the proposed plan advances reform goals in several important ways:*

- *It puts in place a leadership group committed to reform and young enough to be able to see plans through, and does so while Deng is still healthy and powerful enough to oversee its consolidation of power.*
- *It lessens the likelihood of a messy power struggle over succession to Hu Yaobang.*
- *It helps establish the principle of limited tenure in office.*
- *It eases conservative concerns about Hu Yaobang, who has been a lightning rod for antireform criticism and who has often alienated members of his own reform coalition by his impulsive actions.*
- *It advances important institutional changes wrought by Deng, particularly civilian control of the military.*
- *It furthers Deng's efforts to clearly separate party and government authority and prevent one individual from acquiring too much power.*

25X1

Secret

***Why a Conference of Delegates?***

25X1 *The party constitution empowers party congresses, held every five years, to name the Central Committee and plenary sessions of the Central Committee to elect the Politburo, Secretariat, and Military Commission. Procedurally, there seemed no pressing need to resort to the extraordinary formality of a national "conference." The plenary sessions alone could have endorsed the Politburo and Secretariat changes and accepted the resignations of Central Committee members. As in the past, vacancies among the full members of the Central Committee could have been filled from the list of alternates.* [redacted]

*special conference this year. Although Deng needed only a Central Committee plenum to secure the changes he needed on the Politburo and Secretariat, he could not touch the Central Committee itself without convening a party congress. The next party congress was scheduled for 1987, and Deng may have reasoned he could not afford to wait that long to work his desired personnel changes. Moreover, for institutional reasons, Deng almost certainly wanted to preserve the timetable and, for the first time in party history, bring the congress in on schedule.* [redacted]

25X1

25X1 *The only previous national party delegates conference was held in 1955, and the parallels between 1955 and 1985 are instructive. The earlier session also discussed the five-year plan as well as sensitive personnel questions involving "adjustments" to the Central Committee and Politburo—namely, the purge of the "Gao Gang-Rao Shushi antiparty clique"—and featured then party Secretary General Deng Xiaoping in a starring role (as Mao Zedong's spokesman in the battle against Gao and Rao).* [redacted]

*Article 12 of the party constitution permits the convocation of special conferences "to discuss and decide upon major problems that require timely resolution." The overhaul of the Central Committee, which would bring Deng's succession arrangements close to completion, certainly posed a "major problem." Furthermore, the lack of restrictions on who may attend a special conference—as opposed to a formal party congress, which must "elect" delegates through specified procedures—permitted the reformist Secretariat to select some 300 "at large" delegates, thereby guaranteeing Deng majority support at the meeting.* [redacted]

25X1

25X1 *spring of 1985, Beijing had to mount a campaign to eradicate so-called unhealthy tendencies—the involvement of officials in such activities as exploiting their status for profit, purveying obscene videotapes and magazines, and black-market-currency speculation. Much of the criticism focused on the Special Economic Zones, and the Shenzhen zone opposite Hong Kong in particular, which not only had produced disappointing economic results after heavy investment but had also become the locus of a wide variety of corrupt practices.* [redacted]

**Leaders Under Fire**

25X1 *The reform group, and especially Zhao and Vice Premier Tian Jiyun, reportedly drew fire from party conservatives for the economic setbacks.* [redacted]

25X1 *[redacted] some NPC delegates called for Zhao's resignation.* [redacted]

[redacted]

*We believe the combination of economic problems and ensuing criticisms shook the confidence of the reform group.* [redacted]

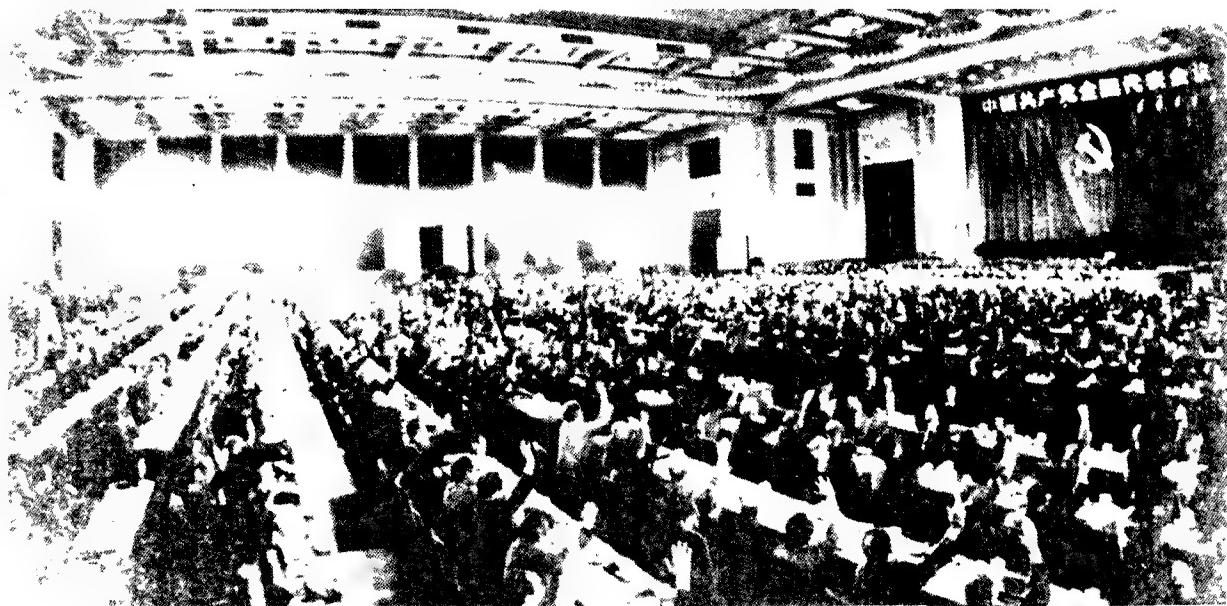
25X1

25X1

25X1

Secret

Secret



A unanimous show of hands at the National Conference of Party Delegates

25X1

### Heated Exchanges

In this charged political atmosphere, the leadership began convening preparatory meetings to finalize the agenda of the September conference. From mid-July to early August the top leaders retired to the resort city of Beidaihe to caucus on readjusting the party's upper echelon. Meetings on the five-year-plan guidelines were simultaneously under way at several locations throughout China.

25X1

25X1

### The September Sessions

Despite the heightened tensions, the summer preparatory sessions completed their work of choosing Central Committee retirees and replacements, and Deng brought the conference in on schedule. In his speech to the conference, Hu Yaobang disclosed that he

Secret

---

### *The Seventh Five-Year-Plan Proposal*

25X1  
*The Seventh Five-Year-Plan proposal strongly reaffirms the leadership's commitment to comprehensive economic reform, while calling for containment of currently overextended capital investment, and urging an end to the thorny problems associated with excessively high growth rates. According to the proposal, the plan's three primary goals—in descending order of importance—are to lay the groundwork for comprehensive economic reform, continue the development of China's woefully inadequate economic infrastructure, and improve living standards. The proposal does not provide a detailed abstract of the plan, but instead outlines a series of reform-oriented economic policies to be implemented during the plan period (1986-90). The Seventh Five-Year Plan itself will be formally approved next spring by the National People's Congress.*

*By making economic reform its major goal, the Seventh Five-Year-Plan proposal is an unprecedented Chinese economic planning document. The proposal urges the increasing adoption of economic levers and the use of "guidance planning" (a new term used by Chinese economic policy makers to denote an informal dialogue between government and producer, establishing flexible and probably nonbinding output targets) to replace much of the traditional "mandatory" planning process. The document conveys the distinct message that the Chinese leadership is now prepared to apply the principles of economic reform to virtually every sector of the economy. Specific reforms underscored in the proposal include:*

- *Expanding enterprise decisionmaking powers and relaxing the state's control over their economic functions.*
- *Making greater use of such economic levers as monetary and fiscal policy and strengthening the nation's banking, auditing, and statistical systems.*

- *Completing price reform by 1990, the last year of the plan period.*
- *Continuing China's "open policy" of expanding foreign trade, promoting increased foreign investment in the special economic zones, and making greater use of foreign borrowed funds.*
- *Creating a social safety net to minimize reform-related personal hardship.*

25X1  
*China's reformist policy of opening to the outside world will, according to the proposal, remain a key policy objective. The proposal emphasizes that exports are to have priority over imports, targeting exports to grow by 50 percent during the plan period and imports by 40 percent. During the 1986-90 period, Beijing will try to strike a delicate—and, thus far elusive—balance between central control over and decentralization of foreign trade decision making authority. Economic levers such as pricing, exchange rates, and customs duties, the proposal states, are to be expanded; and, as management skills improve in local enterprises, increasing power is to be delegated gradually by Beijing to the localities.*

25X1  
*The few specific growth targets referred to in the proposal are not ambitious. Overall economic growth is planned to increase at a 7-percent average annual rate, with agricultural output growing by 6 percent and industrial production by 7 percent. The planned average annual growth rates for the six other industrial commodities mentioned in the proposal range from 2.5 to 6 percent. Judging from the strong performance of the Chinese economy during the Sixth Five-Year Plan (1981-85), Beijing will have little difficulty meeting these new output targets. Similarly, we believe that the proposal's call for raising per capita personal consumption by an average yearly rate of 4 to 5 percent is conservative.*

Secret

Secret

25X1

himself had headed the blue-ribbon search committee<sup>1</sup> that compiled the lists of prospective Central Committee members. The communique of the Fifth Plenum noted that the Politburo Standing Committee had proposed the new Politburo and Secretariat members, with the implication that the selections represented specific preferences of each of the Standing Committee members rather than a broader reflection of party opinion. The nominations then went before the Politburo and Secretariat for "repeated deliberation."

25X1

With the results foreordained, the September meetings convened to rubberstamp the leadership decisions:

- On 12 September, delegates assembled in Beijing for four days of preliminary caucuses, where presumably they received and discussed the results of the Beidaihe conferences.
- The Central Committee that had been elected in 1982 met for the last time on 16 September in the Fourth Plenum. According to the communique issued after the one-day session, the Fourth Plenum:
  - Agreed to convene the party conference of delegates on 18 September.
  - Discussed and "adopted in principle" a party proposal on the Seventh Five-Year Plan and agreed to submit it to the impending conference (see the inset on the plan proposal).
  - Approved the resignations of 55 Central Committee members and 10 alternate members. Ten Politburo members were included in this number
  - Approved the resignations of 36 members of the Central Advisory Commission and 31 members of the Discipline Inspection Commission.

<sup>1</sup> Other members included Deng confidant Xi Zhongxun, moderate reformer Bo Yibo, former personnel chief Song Renqiong, top commissar Yu Qiuli, then personnel chief Qiao Shi, and Discipline Inspection Commission permanent secretary Wang Heshou. The entire spectrum of Chinese politics was represented

---

#### *Foreign Policy: Not on the September Agenda*

*Not surprisingly, given the heavy domestic political content of the September meetings, foreign policy questions received very little attention. Only Li Xiannian spoke at any length on foreign policy, and he invoked largely standard themes of opposition to hegemonism, reunification with Taiwan, and opening to the outside world. In our view, Chinese foreign policy has been in a quiescent phase, not only because the leadership was devoting more attention to internal politics, but also because Deng is relatively content with the overall direction and achievements of his foreign policy.*

25X1

- From 18 to 23 September, nearly 1,000 delegates—including the members and alternates of the Central Committee, members of the Central Advisory and Discipline Inspection Commissions, and more than 300 at-large delegates chosen by the Secretariat—assembled for the National Conference of Party Delegates. The conference:

- Heard speeches by all five members of the Politburo Standing Committee: (in order of their appearance) Hu, Zhao, Deng, Chen Yun, and Li Xiannian (see appendix A for highlights).
- Adopted the party proposal on the five-year plan.
- Elected 56 full members and 35 alternate members to the Central Committee, 56 members to the Central Advisory Commission, and 31 members to the Discipline Inspection Commission.
- On 24 September, the reconstituted Central Committee met in plenary session as the Fifth Plenum of the 12th Central Committee. The plenum:
  - Made "partial readjustments" to the top party bodies by naming six new members to the Politburo (one of whom was promoted from alternate membership), approving the resignations from the Secretariat of Xi Zhongxun, Gu

25X1

Secret

25X1

Secret

---

*Observations on the Central Committee*

*The Central Committee is not a "working body" in any real sense. Party convention decrees that all party decisions be issued in the name of the Central Committee, and the party bureaucracy invariably is termed the "organs under the Central Committee." When the committee actually convenes, usually once a year, it formally constitutes China's highest decisionmaking body. At all other times, however, the power of the Central Committee devolves upon the Politburo, which itself meets only upon the invitation of the General Secretary, Hu Yaobang. When the Politburo is out of session, its Standing Committee—also convened by the General Secretary—makes the decisions that are the basis of Chinese policy. Unless the decisions of the Standing Committee are placed before the Politburo for additional deliberation, the committee's guidelines are transmitted directly to the Secretariat—again, presided over by the General Secretary—for action.*

*If the Central Committee is not a true legislative forum, why did the reformers press for its overhaul?*

- *Central Committee composition represents the balance of political forces at a given point and simultaneously serves as the pool from which party, state,*

25X1  
Mu, and Yao Yilin, and adding five new members to the Secretariat (two were promoted from alternate).

- Approved the new Standing Committee and vice chairmen of the Central Advisory Commission and the new officers of the Discipline Inspection Commission.

**The New Leadership****The Central Committee<sup>2</sup>**

The new appointments to the Central Committee continue the trend toward younger, better educated

<sup>2</sup> The calculations below are based on a 210-member Central Committee. We cannot identify organizational affiliations for four alternate members, however, and therefore have based our calculations on the 129 known of the 133 total Central Committee alternates.

*and military leaders will be drawn. When the committee is overhauled, the party is sending a powerful signal of political trends to lower levels.*

- *Central Committee actions are understood by party members as the most authoritative expressions of party consensus. Membership confers admission to the party elite and, perhaps most important, grants access to the party bureaucracy. With this access comes the institutional prerogative to state one's views during the preliminary stage of upper-level policy deliberations. As the Central Committee has become more broadly representative of the party's upper echelon, it has provided the party leadership with a better "sense of the party" and consequently has become more important in policymaking.*
- *Although issues are never decided on the basis of a Central Committee vote, such a procedure may conceivably be used in the future. (Deng hinted in 1980 that he wanted to conduct party business on precisely that basis.) Should a question ever be put to a Central Committee test, the reformers must reason that it is better to have the votes in hand.*

25X1  
technocrats that began at the 1982 party congress. Approximately 19 percent of the 343-member body is made up of first-time members. According to Beijing, the 64 new members and alternates average 50 years of age, and three-quarters "have received higher education"—meaning a college degree or training at a technical school or military staff school (see appendix C for a listing of the new Central Committee members).

25X1  
Deng and his allies continue to recognize the provinces as a promising training ground for the new generation of leaders. By our count, at least 30 of the new appointees and 11 who were promoted from alternate to full membership work in China's 29 provincial-level jurisdictions. Provincial members (excluding regional military representatives) now comprise some 39 percent (132 members) of the total

Secret

**Secret**

25X1

Central Committee, compared with the central party and government's 34 percent (116 members). All 10 of the provincial secretaries appointed this year who were not already full members gained that status, as did nine new provincial governors. Four more governors made the alternate rolls. [redacted]

25X1

The significant decline in military representation on the Central Committee is evidence of Deng's progress in easing the soldiers out of important political positions. Although 13 officers were named to the committee—nine full and four alternate members—their numbers are more than offset by 26 military retirees, cutting the Army representation from 22 percent to approximately 16 percent (56 members). Significantly, of the 13 new members, 10 are commanders or military technocrats and only three are political officers, a further boost to the prestige of professional fighters, who in the past have often been outranked in party standing by commissars within their units.

[redacted]

25X1

Political compromises are apparent in the composition of the Central Committee. According to our analysis of the 210 full members, some 41 are anomalous holdovers—officials without functional responsibilities who could have retired but did not. The greatest number of these members, 18, are former provincial officials. Nine are former ministers or demoted Politburo members who hold honorary posts on the National People's Congress Standing Committee. Six are former regional military commanders. [redacted]

25X1

#### **The "Leading Organs"**

**Politburo.** We believe that the departure of 10 Politburo members—eight of whom were in their seventies or eighties—and the addition of six younger members presages the return of that body to a more active policymaking role. Deng had earlier attempted to bypass opposition on the Politburo by making the Secretariat increasingly responsible for policy formulation, and in 1982 Deng may have sought to eliminate the Politburo entirely from the party Constitution. Streamlined to 20 members plus two alternates, the Politburo now seems a more credible deliberative body. [redacted]

Although the reorganized Politburo spans the entire spectrum of Chinese politics, in our analysis, the

reform group now holds a slim but absolute majority (see the table). Such Deng stalwarts as Wan Li, Xi Zhongxun, and Fang Yi have been reinforced by the leading lights of the younger generation. Because the reformers face no cohesive, determined opposition bloc on the Politburo but rather a loose collection of conservatives, moderates, and swing votes, we judge their plurality to be stronger than the bare numbers indicate. [redacted]

25X1

The ranks of conservative party elders have been drastically thinned, but the most important players stayed on. Chen Yun and Peng Zhen remain to voice their reservations about the course of reform. We expect the propaganda czar Hu Qiaomu also to generally line up with the traditionalists, who probably secured his retention on the Politburo. Deng may also find some use for Hu—the party's leading theoretician—in preparing acceptable Marxist justifications for his reforms. [redacted]

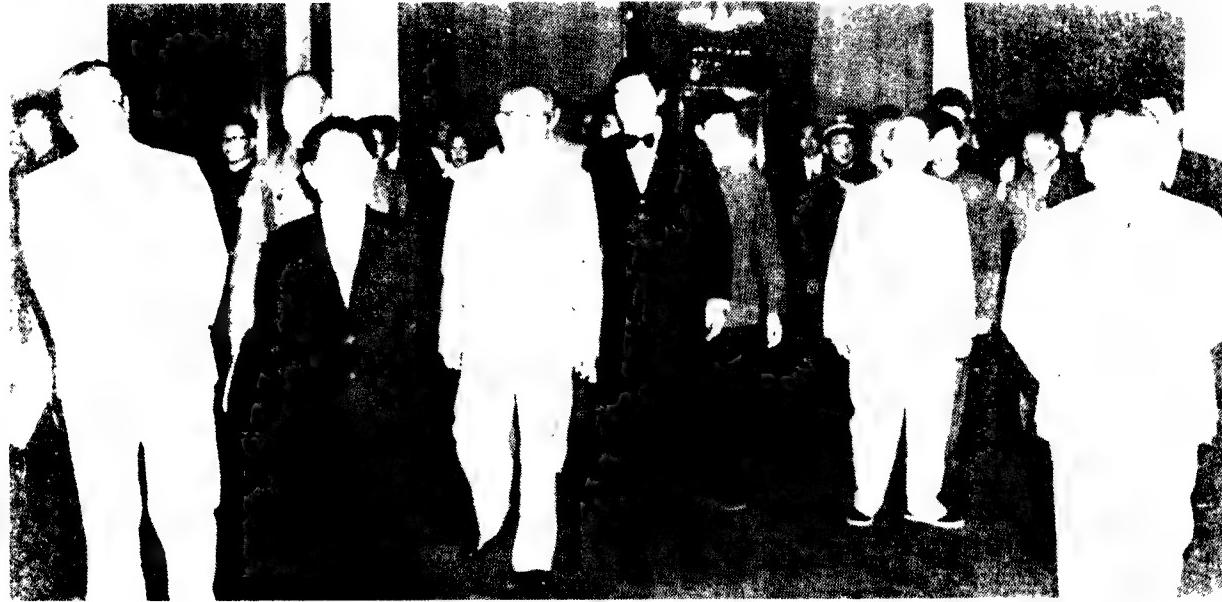
25X1

We believe other members of the old guard have more or less thrown in their lot with Deng. The ailing Li Xiannian has evidently overcome his earlier reservations, and since October 1984 has publicly supported the reforms. Yang Shangkun and Xi Zhongxun have long been considered loyal supporters of Deng, and have vigorously pushed reform and restructuring policies. Army Chief of Staff Yang Dezhi owes his current prominence to Deng and has seldom departed from Deng's line, despite his age and conservative background. [redacted]

25X1

Yu Qiuli, director of the Army's General Political Department, presents a question mark. Yu was Minister in Charge of the State Planning Commission under Hua Guofeng and has been regarded as a lukewarm reformer. Yu was a compromise choice when he took over the military post in late 1982, and we believe that he does not see eye to eye with the reformers on all issues. Yu has strongly supported Deng's military professionalization program, however, and has brought the Army's propaganda apparatus into line behind Deng's policies. In the role of military personnel director—part of his functions as chief commissar—he has helped Deng promote younger

Secret



*The remaining Politburo Standing Committee enters the conference hall at the Fourth Plenum. Although he did not make the Standing Committee at the September sessions, Peng Zhen, second from left, almost certainly has been a de facto member for several years. Peng was prominently grouped with the five Standing Committee members at most photo opportunities during the meetings. Left to right: Zhao Ziyang, Peng, Hu Yaobang, Li Xiannian, two unidentified aides, Chen Yun, and Deng Xiaoping [redacted]*

25X1

25X1

leaders within the officer corps. Nonetheless, because of his checkered background, we continue to consider Yu a swing man on the Politburo. [redacted]

25X1

[running that body in Hu's absence), and [redacted] [redacted] Hu's successor as party General Secretary.

25X1

25X1

We see the promotion of Vice Premier Yao Yilin from alternate to full Politburo membership as a mixed blessing for the reformers. Although Yao has actively promoted China's economic reform program, he has been an associate of both Chen Yun and Li Xiannian since the 1950s, when he worked in the finance and commerce sectors. His recent public comments critical of the Shenzhen Special Economic Zone lend further credence to our belief that he will serve as a voice for moderation in reform. [redacted]

- Qiao Shi, another Hu protege from the Communist Youth League, directed the party Organization Department during the sweeping 1984-85 reorganization of the central and provincial party apparatus. His rise to the Politburo is almost certainly in part a reward for faithful services rendered. He was promoted to full membership on the Secretariat as well.

25X1

Deng seems to have yielded little ground in the Politburo in exchange for the promotion of five leading members of China's "third echelon":

- The elevation of Foreign Minister Wu Xueqian, a third Hu crony, marks the first time since 1972 that the foreign minister has been on the Politburo. In our view, this reflects the increased attention accorded China's foreign affairs and accords Wu the same party standing as his Soviet counterpart.

- Hu Qili is well known as Hu Yaobang's close associate, the presiding member of the Secretariat

Secret

**Secret****Politburo and Secretariat: Probable Balance of Forces**

Proreform	Reform Leaning	Swing	Conservative Leaning	Nay Sayers
<b>Politburo</b>				
Deng Xiaoping	Yang Dezhi	Yu Qiuli	Yao Yilin <sup>b</sup>	Li Xiannian
Hu Yaobang	Ni Zhifu	Li Peng <sup>a</sup>	Hu Qiaomu	Chen Yun
Zhao Ziyang			Chen Muhua (alternate)	Peng Zhen
Wan Li				
Xi Zhongxun				
Fang Yi				
Tian Jiyun <sup>a</sup>				
Qiao Shi <sup>a</sup>				
Yang Shangkun				
Wu Xueqian <sup>a</sup>				
Hu Qili <sup>a</sup>				
Qin Jiwei (alternate)				
<b>Secretariat</b>				
Hu Yaobang		Yu Qiuli		Deng Liqun
Hu Qili		Li Peng <sup>a</sup>		
Wan Li		Chen Pixian		
Tian Jiyun <sup>a</sup>				
Qiao Shi <sup>b</sup>				
Hao Jianxiu <sup>b</sup>				
Wang Zhaoguo <sup>a</sup>				

<sup>a</sup> New member.<sup>b</sup> Promoted from alternate member.

25X1

- Vice Premier Tian Jiyun was closely associated with Zhao Ziyang during his time in Sichuan, when Zhao was widely acclaimed for experimental economic reforms that later were implemented nationwide. Tian was then Zhao's financial chief, and Zhao brought him to Beijing to fill that same role. Tian was named also to the Secretariat.

entailing greater decentralization of economic control. He, too, was named to the Secretariat (see appendix A). [ ]

25X1

- The Soviet-trained Vice Premier, Li Peng, is widely said to be in line to succeed Zhao as premier. We consider Li something of a "wild card" on the Politburo: [ ] he has broad support among China's more orthodox leaders like Chen Yun. Given little evidence of other concessions that conservatives may have extracted from Deng, we are inclined to view Li's rapid rise partly as an acknowledgment of conservative interests. On some issues, we expect Li to line up against reforms

**Secretariat.** The political balance on the 11-member Secretariat is even more pronouncedly proreform. According to the Communiqué of the Fifth Plenum, which broke with recent party precedent by listing Secretariat members in rank order,<sup>3</sup> the solid reform core of Hu Yaobang, Hu Qili, and Wan Li are the

<sup>3</sup> The party customarily lists its top leadership, except for the Politburo Standing Committee, in "alphabetical" order—that is, by the number of strokes in each leader's surname. (The Standing Committee's protocol order is: Hu, Deng, Zhao, Li Xiannian, and Chen Yun.) Following the Fifth Plenum, the Politburo continued to list its members by stroke order. [ ]

25X1

Secret

25X1 top-ranked members. They are followed by a hold-over, Yu Qiuli, reformers Qiao Shi and Tian Jiyun, Li Peng (the top seven are all concurrent Politburo members), holdovers Chen Pixian and Deng Liqun, and reformers Hao Jianxiu and Wang Zhaoguo.

there have been accounts [redacted] that Chen had fallen out with Deng and was slated for retirement. Although he remains on the Secretariat, his relatively low ranking on that body in our view indicates that he too was barely protected from demotion, perhaps by Peng Zhen. [redacted]

25X1

25X1 Hao Jianxiu, yet another Hu Yaobang protege and the only woman on the Secretariat, was promoted from alternate member. As a former model textile worker and Minister of Textile Industries, she may share some responsibility for China's light industrial sector. Otherwise, she has been associated with issues that the party generally regards as suitable for women, such as birth control and youth work. [redacted]

#### A Short-Term Balance Sheet

##### Deng's Achievements

In our view, Deng gained most of what he had set out to accomplish. The September party meetings were the most impressive display to date of Deng's political facility and must also be considered a victory for the organizers, Hu Yaobang and Hu Qili. Looking back, we are struck by the persistent and methodical approach of the reformers, who since 1980 have built on each incremental gain to win additional advantages: first by creating a proreform Secretariat, then moving through a series of central party and government changes paving the way for provincial personnel shifts, and finally moving back to the center to fill the Central Committee with newly appointed national and provincial officials. [redacted]

25X1

25X1 Wang Zhaoguo, at 44 the youngest member of the Secretariat, currently heads the office responsible for party documents and leadership protection. He joined the Central Committee in 1982 after having been "discovered" by Deng Xiaoping, whom Wang had impressed in a briefing. Wang is also a former Communist Youth League worker—he was CYL first secretary for two years—with ties to both Hu Yaobang and Hu Qili. [redacted]

25X1 Like Hu Qiaomu on the Politburo, Deng Liqun is a conservative whose reputation was sullied during the spiritual pollution episode, and he has continued to voice open criticism of the ideological inconsistency of reform policies. [redacted]

25X1 [redacted] media reports predicted that Deng would be forced off the Secretariat at the September sessions, and the fact that he survives suggests to us that Chen Yun protected him. Nonetheless, Deng alone among Secretariat members has no substantive bureaucratic authority, having been removed in July as head of the Propaganda Department. [redacted]

25X1 In our analysis, Chen Pixian plus two concurrent Politburo members, Yu Qili and the newly appointed Li Peng, straddle the fence between the reformers and Deng Liqun. Chen has presided over the internal security apparatus since 1982, but now apparently has been supplanted by or shares that responsibility with Qiao Shi, who in July was identified as secretary of the party's Political and Legal Commission. Chen has generally been a presumed supporter of Deng Xiaoping, reportedly from the 1930s. Recently, however,

*Reformist Consolidation.* We believe the balance of party power now rests with the reformers, and it would be exceedingly difficult for a small group of leaders to upset Deng's accomplishments. Under present institutional arrangements, to reverse the reformers' advantage the conservatives would have to follow the path Deng laid out: take control of the Standing Committee, put a new Politburo and Secretariat into place, and dismantle both the policies and the broad leadership net that has been built over the past three years. Once Deng is gone, it is doubtful whether there would be any old guard leader possessing the prestige, political power, and personal stamina to see those changes through.<sup>4</sup> [redacted]

25X1

<sup>4</sup> The situation is not, as some may argue, analogous to the circumstances following the Ninth Party Congress in 1969, the highwater mark of the fleeting leftist/military dominance of China. Unlike the trends represented at the Ninth Party Congress, Deng's changes have been gradual, not convulsive, and have been broadly supported from within the party. [redacted]

25X1

Secret

Secret



25X1

*Ailing octogenarian Ye Jianying in a rare public appearance with members of his family. Ye's formal departure from the party leadership symbolizes the waning of the old guard.*

25X1

**A Significantly Weakened Old Guard.** The unprecedented retirement of a quarter of the Central Committee is a key event in Deng's effort to rejuvenate the party leadership, an important precedent that reformers can point to in encouraging others to step down. The number of Politburo leaders who most consistently have resisted Deng in recent years is reduced, in our view, to two—Chen Yun and Peng Zhen (even party propagandist Hu Qiaomu, lately a critic of some aspects of the reform program, is a longtime Deng associate). Moreover, Deng succeeded in preventing Peng Zhen from replacing Ye Jianying on the Standing Committee.

25X1

**Military Reform.** The waning of the old guard is symbolized by the departure of seven senior soldier-politicians from the Politburo—including the ailing octogenarians Ye Jianying, Nie Rongzhen, and Xu Xiangqian, former chief commissar Wei Guoqing, and former Shenyang Military Region Commander Li Desheng. This and the substantial reduction of military representatives on the Central Committee fulfill Deng's intention to distance the military from the center of political power and lay a foundation for a more professional military establishment.

**Party Rejuvenation.** As a result of the massive retirement, the reform triumvirate of Deng, Hu, and Zhao has been able to cast the Central Committee in a reformist image. The Central Committee's "class of

1985"—younger, better educated, and proreform—symbolizes the changing official culture and the movement within the party from a backward-looking traditionalism toward a more pragmatic, technocratic future.

25X1

**Proteges Promoted.** The leading reformers placed proteges on both the Politburo and the Secretariat. Hu Yaobang put three on each body and Zhao Ziyang one.

25X1

**Economic Reform.** Despite the widely publicized economic difficulties of the past year, the Central Committee endorsed a new five-year-plan proposal that constitutes a ringing endorsement of the open-door policy and expansion of market style reforms, while yielding virtually nothing to Deng's critics.

25X1

#### **What Deng Did Not Get**

We believe that Deng's gains at the conference were not won without cost. There are several areas where Deng clearly was forced to compromise with more conservative elements of the party. Generally, his concessions leave his programs intact, but provide ample opportunities for leaders with differing views to continue to challenge the reforms on pragmatic and ideological grounds.

25X1

**Remaining Critics.** In our view, Deng intended neither to stifle nor to eliminate his opposition. As though to balance his progress toward party rejuvenation, the generational pecking order remains largely intact within the Politburo and, most important, within its Standing Committee, the dominance of which was confirmed in September. Five octogenarians continue to sit on the Politburo, and three on the Standing Committee. Two of the conservative old guard—Chen Yun and Peng Zhen—almost certainly will fill the role of Deng's "revolutionary conscience," unable perhaps to reverse the present course of policy but surely able to affect the manner in which the reforms are presented and ultimately implemented.

25X1

25X1

#### **Personnel Changes Unachieved.**

Hong Kong media sources suggested over the summer that many more reformers would be named to the top party bodies than actually

25X1

Secret

25X1 were promoted. Younger leaders such as the new heads of the Propaganda and Organizations Departments did not even attain alternate-member status on the Secretariat. It also is a measure of continuing conservative strength, as well as Deng's talent for compromise, that such erstwhile critics of reform as Hu Qiaomu and Deng Liqun held their seats. [redacted]

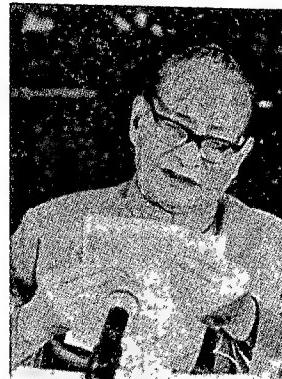
25X1 **Succession.** Although it is unclear whether Deng won endorsement of his overall succession package at the September meetings, [redacted]

25X1 [redacted] the sessions probably discussed the shuffle, and may have endorsed it as a future measure.<sup>5</sup> The planned party shifts—Deng to head only the Central Advisory Commission, Hu Yaobang to move over to the Military Commission, and Hu Qili to replace Hu as General Secretary—may await a future plenary session or even the 1987 party congress for public announcement. The proposed state shifts, which include the retirement of Li Xiannian as President of the People's Republic, Zhao Ziyang's assumption of the presidency, and Vice Premier Li Peng's promotion to Premier, may occur as early as next spring's session of the National People's Congress. [redacted]

25X1 **Military Succession.** Hu's accession to the Military Commission chairmanship seems the linchpin of Deng's overall succession package. [redacted]

Deng intended to hand over the Military Commission chairmanship to Hu Yaobang by the fall of 1985. Although the September meetings would have been the most convenient venue for the transfer, it did not take place. Deng's apparent decision to wait for a better time to further adjust the military leadership suggests that he remains concerned over the senior officers' loyalty to reform. He also may have calculated that foisting Hu—still viewed by some senior soldiers as

25X1 <sup>5</sup> At least twice in the recent past, the party has done precisely that: both cases involved Hua Guofeng. The decision to replace Hua as premier in 1980 was disseminated in party channels months before the event, and, in December of that year, a party work conference endorsed Hua's demotion six months before Hu and Deng formally assumed his party and military commission chairmanships. [redacted]



Chen Yun at the National Conference of Party Delegates. Although ailing, Chen will remain "the conscience of the revolution" within the Politburo and will seek to restrain the pace of reform. [redacted]

25X1

25X1 too inexperienced to assume the top military post—upon the Army at this time would unnecessarily alienate some senior soldiers. We believe that Deng intends to take the final step in arranging his succession by transferring military authority, thereby assuring that someone who shares his views is in charge of the military when he dies. [redacted]

25X1 **Ideological Constraints.** Deng's injunction to the party conference to bone up on the Marxist classics as a necessary antecedent to successful reform was prompted, in our view, by a conservative backlash against the recent tendency to disparage orthodox Marxism. The reformist critique of Marxism reached a high in a *Renmin Ribao* commentary of 7 December 1984, which declared that "Marxism cannot solve our problems" (it was subsequently amended to read "... all our problems"). [redacted]

25X1 When in the past Deng has nodded to his putative opposition by expressing conservative views—as in the spiritual pollution episode—his views have been misrepresented as criticism, and the reform program has suffered setbacks. It seems likely that party conservatives again will seize on Deng's orthodox themes to justify their own agenda and may press for a crackdown on "liberal" writers and artists or for a mini-campaign to eliminate "bourgeois" economic practices. Although such swings tend to be short lived,

25X1

25X1

25X1

Secret

Secret

25X1

they create an atmosphere of intolerance for foreign goods and ideas and slow reform momentum. [redacted]

#### **Longer Term Outcomes: Old Cleavages Reexamined**

In our judgment, the September meetings did more than advance the reform program and readjust the topmost leadership. The outcomes reflected potentially much larger changes in China that, if followed through, may alter how problems are approached and power is exercised. The ancien regime is giving way to a new generation of leaders who have a different concept of the roles of the party and military, and a more innovative—albeit still highly bureaucratic—approach to economic development. Deng has made a strong start, but these differences will continue to affect politics as long as the old guard retains some influence. [redacted]

#### **The Generation Gap**

All of the party's aged officials have regularly and routinely endorsed the policy of leadership rejuvenation, but most have balked when confronted with the prospect of actually retiring. In our view, however, the September meetings mark a major turning point in the generational transfer of power. Although not denying the considerable remaining influence of the party's old guard, little now bars the way to consolidation by the successors on the Politburo and Secretariat. [redacted]

The new Central Committee establishes what in fact is a shift in the social basis of the party leadership. The early revolutionary leadership consisted mainly of urban intellectuals and peasant revolutionaries who remained in power through the first three decades of Communist rule. The reconstituted Central Committee heralds the ascendancy of the polytechnic institute graduates. Deng popularized the idea that policies should be judged by practical results, not necessarily by ideological soundness. By implication, he has asked that the new leaders he has elevated be similarly judged. In our view, the early results have been favorable for the reformers, and there appears to be a broad base of support for Deng's program and the new leaders both within the party and among the populace. [redacted]

Yet, no single event can patch over the substantial breach between the new and old in China. The passing political generation worked under difficult circumstances to establish a set of institutions they believed in, and many resent the message of reform—that those institutions were seriously flawed. The reformers must demonstrate that new institutions—such as the retirement program, the separation of party from government and economic work, and the nationalization of the Army—can work and at the same time retain distinctively Chinese Communist characteristics. [redacted]

25X1

In our view, Deng has co-opted a large body of opinion by redefining what those Chinese characteristics are—namely, an innovative socialism not hemmed in by doctrinal concerns, able to tap the technical superiorities of capitalist economies, but maintaining the decisive authority of the party in all political matters. Moreover, Deng gambled that material well-being in retirement, plus a generous distribution of honorary posts, would satisfy most of the oldtimers. Events suggest that he calculated correctly.

[redacted]

25X1

#### **Reformers Versus Planners**

Since the earliest stages of reform, China's economic policy makers have been sharply divided into two camps: those who championed the orthodox Stalinist approach of tight central planning and macroeconomic control by administrative command; and advocates of decentralization, greater reliance on market forces to determine production, and macroeconomic control through such policy levers as taxation, interest rates, and floating prices. The new leadership mix favors the reformers, who heavily outnumber the oldline planners on both the Politburo and the Secretariat. In a clear signal to advocates of central planning, the planning minister was left off the Politburo, reconfirming a decision in 1983 that for the first time left the planning chief off the Chinese Politburo.<sup>6</sup> [redacted]

25X1

<sup>6</sup> In 1983, Yao Yilin, then a Politburo alternate, was relieved as Minister-in-Charge of the State Planning Commission and his replacement was not promoted in party standing to the Politburo.

[redacted]

25X1

Secret

We believe the debate will continue, but the odds favor Deng and his allies: twice in the past year they have secured authoritative Central Committee endorsement of their reform agenda. Reformers will continue to tout China's improved economic performance, attributing it directly to policy changes like the greater role permitted market forces and entrepreneurial energy, while simultaneously seeking to refine macroeconomic levers to maintain control. Devotees of more comprehensive planning remain in the top-most leadership, however—in particular, Chen Yun and Li Xiannian (neither of whom is closely involved in the detailed workings of the economy) and Yao Yilin, who probably is Chen's own chosen successor. Problems in policy implementation will inevitably occur, and traditional planners will seize on these difficulties as fresh evidence to support their advocacy of stricter controls over all economic activity. In our view, they will be fighting a rearguard action—attempting to slow the advance of reform without great hope of turning the program back. [redacted]

25X1

The victories of the reformers in strategic planning must nevertheless be translated into battlefield gains: many of the reformers' policy proposals remain untested, and the changes they have promoted in economic institutions have yet to be consolidated. Moreover, as the tentative remarks of Deng and Zhao demonstrated last spring, the reformers understand the need for caution: they are certain of their analysis of China's economic problems but are wary of the magnitude of their prescribed changes and the economic forces those changes may unleash. We believe they must compromise on their boldest experiments—such as the Special Economic Zones and wage and price decontrol—not only to resolve the problems that crop up, but also because they recognize that Chen Yun and like-minded officials will step up the political pressure if things go awry. [redacted]

25X1

#### Civilians Versus Soldiers

The retirement of seven military representatives from the Politburo is significant as a symbol of the continuing clarification of political and military roles in China. Deng long ago decided to institutionalize the principle of restricted military participation in the

highest leadership councils, and the September meetings are convincing evidence of his success. Civilian control of the military appears more secure now than at any other time. The only career soldiers remaining on the Politburo are the Chief of Staff, Yang Dezhi, and the Beijing Military Region Commander, Qin Jiwei, who is only an alternate. Other Politburo members who hold principally military jobs are Yang Shangkun, the presiding vice chairman of the Military Commission, and Yu Qiuli, chief of the General Political Department, both of whom must be considered civilians in military uniform. [redacted]

25X1

We believe that Deng may again seek to establish the principle of a national, rather than a party, Army. In 1982 he unsuccessfully attempted to nationalize the Army by creating a State Military Commission under the NPC to supplement the party Military Commission. The state Commission was indeed established in the 1982 Constitution, and its leadership named—precisely the same leaders named to the party Military Commission at the 12th Party Congress—but it was never made operational. Evidently, the senior soldier-politicians were unwilling to give up their "glorious tradition" as the party's own army. [redacted]

25X1

Deng has now drastically cut Army representation on the Politburo and erased it entirely from the Standing Committee. Moreover, the retirement from the Central Committee of the Minister of National Defense, the Commander of the Navy, and the Director of the General Logistics Department, plus many other prestigious military figures may presage another attempt to move the military out from under direct party command. By subordinating the military to the government, Deng would be seeking to accomplish at least two things: redefining the relationship of the PLA to both the party and China, ending the special claims the military has been able to make by virtue of its historically close relationship with the party; and taking an additional step toward military professionalism. [redacted]

25X1

Secret

18

Secret

Finally, the reduction of military representation in the top party organizations, in our view, implies at least two additional developments that affect the party Military Commission:

- Although some senior soldier-politicians may still oppose Hu Yaobang's assumption of the Military Commission chairmanship, the reduction in military representation in the top party bodies should ease the way for Deng to pass that post to Hu.
- The resignation from the Central Committee of five top Military Commission officers suggests that a reorganization of the committee's leadership is likely soon. Deng will certainly take that opportunity to promote younger, better educated officers to the Army's core leadership. Ultimately, this may help clarify several aspects of China's defense policy—from defensive deployments to acquisition of foreign weapons—long muddled by the old soldiers' reverence for outdated Maoist concepts. [redacted]

25X1

25X1

approved last year is still on track, but adjustments will continue to be made to counter inflation, overinvestment in capital construction, revenue shortfalls, corruption, and the foreign trade imbalance. Moreover, the leadership is likely to be more sensitive to the need to provide ideological justification for its policies, and will seek to ensure that all reforms are cloaked in the appropriate socialist garb, even if this creates confusion within China's trade bureaucracies and among foreign investors. [redacted]

### The New Agenda

We believe Deng's achievements at the September meetings are best viewed as a confirmation of trends and policies he has initiated over the last 10 years, rather than as an immediate portent of new directions to be taken. The restructured leadership will be more energetic, flexible, and pragmatic than its predecessor, and in the long run it probably will be more willing to consider bold departures from socialist orthodoxy. Its actions will be tempered for some time, however, by the continued presence of powerful conservative voices, specifically in the persons of Chen Yun and Peng Zhen, and by the need to consolidate and develop policies already undertaken. [redacted]

25X1

25X1

The economy ranks high on the agenda. We expect the Chinese to continue their efforts to modernize the economy through a combination of socialist administrative controls and free market demand management techniques. Deng's depiction of economic reforms as an "experiment" is apt, in that reformers have a set of goals, but not a detailed or set plan on how to achieve them. The five-year plan adopted at the meetings indicates strongly that the urban reform program

Party rectification remains nominally high on the political agenda, but received remarkably little attention during the party meetings. In fact, the extensive discussion in the conference speeches of official corruption points to how ineffectual the rectification process has been at the middle and lower levels of the party. Deng alone among the meetings' main speakers referred to rectification as an appropriate means to deal with persistent problems in party work style, and a forum of the party's rectification commission held at the same time reflected his concerns. We expect that the issue will be brought to the fore again, in a concerted effort to cleanse the party of its wayward elements. [redacted]

We expect Deng to continue to press for his second-stage succession package, and sooner rather than later. Hu Qili and Li Peng will play increasingly prominent roles in the leadership, preparatory to formally taking over leadership positions, perhaps next year. Hu Yaobang played a somewhat subdued role at the September meetings, but he is still a crucial player in the transition to a younger leadership. If he does indeed succeed Deng as chairman of the Military Commission, one of two paths is open to him: either to serve as an interim chairman, possibly until the 13th Party Congress in 1987, and then to set a solid precedent by retiring; or to set himself up on the Military Commission as China's principal political broker, in much the same fashion as Deng has done. In fact, Hu's ultimate course may already have been laid out for him in the bargaining that preceded the conference of delegates. [redacted]

25X1

Secret

The most difficult transition still to be accomplished, however, is Deng's own. Deng has so dominated the Chinese political scene since 1978, and the reform "vision" is so much his own, that it is difficult to judge what the program will be like without him. Deng has been indispensable to the successive victories that the reform coalition has won. The irony now is that, if the program is to survive his passing, he must truly retire, allowing his chosen successors to establish their authority independent of his. We believe that Deng recognizes this, and fully intends to step down. He is not likely to do so, however, unless he is joined by old-guard stalwarts Chen Yun, Peng Zhen, and Li Xian-nian, none of whom has yet indicated any interest in retirement. In our judgment, it will take another demonstration of Deng's unique political skills to bring this off. Before the 13th Party Congress, scheduled for 1987, Deng will probably make one last attempt to lead China's founding revolutionaries off the political stage. [redacted]

25X1

Secret

20

**Secret**

## Appendix A

### September 1985 Party Delegates Conference Extracts From Major Speeches

#### Hu Yaobang

##### **Collective Leadership**

Since the Third Plenum of the 11th Central Committee [1978], all major policy decisions of the central leading organs have been made collectively, with the revolutionaries of the older generation steering the course.

##### **Work of the Delegates Conference**

The Third Plenum of the Twelfth Central Committee [1984] considered that the proposal concerning the Seventh Five-Year Plan had a vital bearing on the national economy. It also considered that organizational matters—in particular the election of additional members to the central leading bodies—must be taken very seriously. For these reasons, the session decided that a national conference should be convened.

The work of drafting the five-year-plan proposal was presided over by Comrade Zhao Ziyang. To seek opinions on it, a meeting was held last July with some 200 participants. In line with the proposal to be adopted by the conference, the State Council will work out the Seventh Five-Year Plan and submit it to the National People's Congress next spring.

Regarding the organizational question, last May the Central Committee set up a working group composed of Comrades Xi Zhongxun, Bo Yibo, Song Renqiong, Yu Qiuli, Qiao Shi, Wang Heshou, and myself. The group drafted a resolution on ways of further effecting the succession of new members in the leading central organs. It also approved the requests of some veteran cadres to resign from the central organs and prepared a list of candidates for election to those bodies.

##### **Leadership Rejuvenation**

During the last two or three years, many veteran comrades have asked to resign from the central organs. It is in response to the needs of the party's cause that most veterans have retired; it is also in response to the needs of the party's cause that a few have remained. Our long struggles have produced a number of very experienced veteran revolutionaries who enjoy high prestige both inside and outside the party and both at home and abroad. It is the common desire of the entire party membership and of the people of all our nationalities, and in their fundamental interest, to keep these veteran revolutionaries in the top leadership of the party.

In 1979 the Central Committee raised the question of promoting persons of ability and political integrity and making the leadership younger. Since then, leading bodies from top to bottom have undergone two major readjustments. Consequently, the readjustment for younger leadership is nearly completed.

Secret

### **Endorsement of Reforms**

It has been almost seven years since the Third Plenary Session of the 11th Central Committee. These seven years have been one of the best periods of economic and political development since the founding of the People's Republic.

**Zhao Ziyang**

### **Seventh Five-Year-Plan Proposal**

The document was drawn up after a year of deliberation under the direction of the Secretariat of the Central Committee and the State Council. It is not the Seventh Five-Year Plan itself but a set of proposals for the plan. Instead of listing a whole series of quotas, the proposal deals with only a few major ones that have immediate bearing on the overall situation. Two of the distinct features are its emphasis on development strategy and on principles and policies, which represent an important new approach to planning. Once the proposal is adopted by the conference, the State Council will use it as the basis for drafting the actual Seventh Five-Year Plan.

### **Planned Growth Rates and Budget Deficits**

The gross value of industrial and agricultural production is expected to increase at an average annual rate of 7 percent and that of the GNP at an even higher rate. A sustained 7- or 8- or even 10-percent growth rate over such a long time is rare in the economic development of any country. A similar situation has occurred only in a few countries and regions during the economic takeoff stage.

A small deficit does not matter much and should not be taken as the primary indicator of how the country is faring financially and economically.

### **Tasks of the Plan**

There are three main tasks in the period of the Seventh Five-Year Plan: 1) to create a sound economic and social environment for the smooth progress of structural reform; 2) to speed up the construction of key projects; and 3) to continue to improve the people's living standards. The first task is most important.

The plan can be divided into two stages. In the first two years, the emphasis will be on controlling social demand to solve the problems of overly rapid growth rates, excessive investment in fixed assets, and sharp increases in consumption funds. However, the main drawback is that people may not pay much attention to this effort, and these problems may even run out of control. Reform should focus on improving macroeconomic control while stabilizing the economy. We must continue price reform and develop better economic levers, such as interest rates, tax rates, and exchange rates. In the last three years, price reform will be completed, tax and banking reforms will be established, and investment in construction will be increased in accordance with the circumstances.

Secret

22

Secret

**Role of Market Forces in Regulating the Economy**

In reforming the economic structure, we must do the following things: 1) further invigorate enterprises, especially state-owned large and medium-sized ones; 2) further expand the planned socialist commodity market and gradually improve the marketing system; 3) gradually relax the state's direct control over the economic operation of enterprises in favor of indirect controls, such as economic, legal, and—if necessary—administrative measures.

The task confronting us is that while improving microeconomic operations and mechanisms we must exercise more effective indirect control over macroeconomic operations. In other words, we must give a greater regulating role to economic levers and improve economic legislation and supervision.

Only when we make a success of indirect macroeconomic control can we coordinate it with the reforms that are under way, and only then can the conditions be created for greater flexibility with regard to enterprises. The extent to which we relax direct microeconomic controls and the measures we take for that purpose must be suited to the state's ability to exercise more effective indirect control and must be coordinated with such control.

**Dealing With Anticipated Problems**

During this period, a host of problems will arise in the process of creating a favorable environment for reforms. There are two keys to solving these problems: first, to enhance the economic efficiency of enterprises and to make them better able to earn more foreign exchange through exports. Technological transformation should be conducted; however, it is even more urgent to raise operational and management skills.

The second key is to earn more foreign exchange to strike a balance of payments. As a developing country, China will suffer shortages of foreign exchange for a long time. We must work out a development strategy and systematic foreign trade policies. We should make full use of the special economic zones, open cities and regions along the coast, develop an export network, and we should earn more foreign exchange through tourism and labor export.

**Building Socialist Civilization**

We must build the "two civilizations" simultaneously, steadfastly adhering to the four principles, opposing corruption by bourgeois liberalism, capitalism, and other decadent ideologies. We must improve the socialist legal system and our political and ideological work so that our "spiritual civilization" complements and expedites our material civilization.

**Deng Xiaoping****Progress of Reforms**

The period since the Third Plenary Session of the 11th Central Committee [1978] has been a crucial one. For many years we suffered badly from one major error: we still took class struggle as the key link. Since the Third Plenum, we have accomplished two things: we have set wrong things right, and we have launched comprehensive reforms. The current good situation would not have come about if we had not corrected the erroneous "left" mistakes and shifted the focus of our

Secret

work to developing the economy. At the same time, if we had not adhered to the four principles [upholding the socialist road, the people's democratic dictatorship, the leadership of the Communist Party, and Marxism-Leninism and Mao Zedong Thought], we would have gone from correcting "left" mistakes to "correcting" socialism and Marxism-Leninism.

In the reform, we have consistently followed two fundamental principles. One is the predominance of the socialist public sector of the economy; the other is common prosperity. The use of foreign investment funds in a planned way and the promotion of a degree of individual economy are serving the development of the socialist economy. We still have to work out specific rules and regulations by trial and error.

#### **The Seventh Five-Year Plan**

It is projected that, during the period of the plan, the annual growth rate will be 7 percent, a figure on which the Standing Committee of the Political Bureau has unanimously agreed, and which may be exceeded in practice. If the growth rate were too high, that would create many problems. We must control the scale of investment in fixed assets and see that capital construction is not overextended.

#### **Socialist Civilization and Party Work Style**

Although much work has been done to build a socialist society that is both culturally and materially advanced, we must admit that so far the results are not very satisfactory, mainly because it has not had the serious attention of the entire party membership. We exert ourselves for socialism not only because socialism provides conditions for faster development of the forces of production than capitalism, but also because only socialism can eliminate the greediness, corruption, and injustice that are inherent in capitalism. In recent years, some evil things that had long been extinct after liberation have come to life again. Material progress will suffer delays and setbacks unless we promote cultural and ideological progress as well. Today, some comrades no longer have a clear understanding of this truth.

At present, we must first concentrate on bringing about a fundamental improvement in party conduct and in general social conduct. In consolidating the party, we must succeed in four tasks: achieving unity in thinking, improving party conduct, strengthening discipline, and purifying the party organization. We should greatly strengthen and never weaken ideological and political work as well, and support the work of cadres in this field. Ideological, cultural, educational, and public health departments should take social benefit as the sole criterion for their activities and so must the enterprises affiliated with them. In our propaganda work, we must firmly oppose bourgeois liberalism and publicity that favors taking the capitalist road. It goes without saying, however, that we should adhere to the policy of "letting 100 flowers bloom." With regard to erroneous ideological tendencies, we should adopt a policy of persuasion and education, and refrain from political movements and "mass criticism."

Secret

**Secret****Promotion of Young Cadres and the Need for Theoretical Study**

The succession of new cadres to old and their cooperation have been going on fairly well over the past few years. I once said that younger age and professional knowledge alone are not enough. To these must be added a fine work style. I hope you will serve the people wholeheartedly. We often say that the succession of new cadres to old provides the organizational guarantee for the continuity of our party's policies. It means the continuity of the domestic and foreign policies of independence, democracy, legality, opening to the outside world, and invigorating the domestic economy, which we will by no means change.

Now I would like to propose a new requirement—the study of Marxist theory, a requirement not only for new cadres but for old ones as well. Some comrades may say: What immediate use is there to studying Marxist theory? Comrades, this is a misconception. Marxist theory is not a dogma, but a guide to action. We must find time in our busy schedules to study Marxist theory. Only thus can our party keep to the socialist road and build socialism with Chinese characteristics until the realization of our ultimate goal—Communism.

**Chen Yun****Statement of Support**

I support the proposal of the Central Committee for furthering the succession of new members to old in the leading central organs, its proposal for the formulation of the Seventh Five-Year Plan, and the speeches delivered by members of the Standing Committee of the Political Bureau.

**Promotion of Younger Leaders**

Promoting young and middle-aged people to leading posts by the tens of thousands to reinforce the leading bodies at all levels is an important task that our party has stressed repeatedly over the past few years. This system will ensure that there will be an orderly succession of cadres in the Communist Party from generation to generation.

**Problems With Agriculture, Rural Enterprises**

We must continue to pay attention to grain production. Thanks to the contracted responsibility system, agricultural production has increased. The media have for some time exaggerated the number of "10,000-yuan households." Actually, there are not that many. Our media's reports are divorced from reality.

Some peasants are no longer interested in growing grain. They are not even interested in raising pigs and vegetables, because in their opinion there can be "no prosperity without engaging in industry." Town and township enterprises should be developed. The thing is that the call of "no prosperity without engaging in industry" is heard much louder than that of "no economic stability without agricultural development." Feeding and clothing 1 billion people constitutes one of China's major political and economic challenges, for "grain shortages will lead to social disorder."

Secret

**The Nature of China's Economy and the Role of Planning**

The socialist economy must be developed proportionately and in a planned way. We are Communists. Our goal is to build socialism. The general orientation for restructuring the urban economy is correct, but we are experimenting with concrete measures for its implementation. We must look carefully before taking each step.

The planned economy's primacy and the subordinate role of market regulation are still necessary. Planning consists of both mandatory planning and guidance planning. Both involve the planned use of economic regulators. Guidance planning is not the same as market regulation. Market regulation involves no planning, blindly allowing supply and demand to determine production. Planning is the essence of macroeconomic control. Only by doing a good job of macroeconomic control can we stimulate the microeconomy and make it dynamic but not chaotic.

**Proper Economic Growth Rates**

The proposal of the Seventh Five-Year Plan sets annual industrial and agricultural growth rates at 7 and 6 percent respectively. These are respectable. And although they may be surpassed during this period, there is no reason to set them higher. Comrade Deng Xiaoping once mentioned China's excessive industrial and agricultural growth rates, saying, "It sounds good, but contains disturbing elements." I agree with this. As the saying puts it, "More haste, less speed."

**Party Conduct, Ideological Work, and Corruption**

Improving party conduct remains a major task of the entire party. Leading cadres at all levels, particularly senior ones, should set good examples. There's no such thing as retirement when it comes to setting good examples. I hope that the party's senior leaders will set a good example in educating their children, who absolutely must not use their parents' positions in pursuing personal power and interests and becoming privileged.

We must intensify ideological and political work and preserve the prestige of the party's departments in charge of this work. There are now some people, including some party members, who have forsaken the socialist and Communist ideal and turned their backs on serving the people. Some of them have become rich by unlawful means such as speculation and swindle, graft, and acceptance of bribes. In their dealings with foreigners, they have no consideration of personal or national dignity. These problems can be attributed to the relation of ideological and political work and the decline in the function and authority of departments in charge of such work. We should take this as a lesson. Party organizations at all levels should conduct ideological and political work in earnest and safeguard the authority of those departments.

Adherence to democratic centralism is a principle prescribed by the party Constitution. All decisions on important issues must be made by the collective after complete discussion to avoid mistakes and unnecessary detours and to achieve better results.

Secret

26

Secret

**Li Xiannian**

**Economic Tasks**

The essential task for the historical stage of socialism is to develop the productive forces and ensure the planned and balanced growth of the national economy. Since this year's economic growth rate has been excessively high, it will not be easy to reduce it to normal next year. Our comrades must keep in mind our party's fine tradition of seeking truth from facts and maintaining close ties with the people, and check the tendency found in some areas to make false reports that mislead the leaders. We should actively expand trade with foreign countries and use the foreign exchange thus earned to import necessary and useful advanced technology, equipment, and materials to further socialist modernization in a realistic manner.

**Ideological and Political Work**

Ideological and political work must be intensified during economic construction and structural reform. Regions and units that have overlooked ideological and political work in recent years should strengthen it immediately and seriously. We must step up education in ideals, social conduct, discipline, and law, and combat the corruption of capitalist and feudal ideologies, bourgeois liberalism, egotism, and putting money above all else.

**The Opening to the Outside and Foreign Policy**

We cannot modernize behind a closed door. The basic tasks of construction and reforms at home determine that we will follow an independent, peaceful, and open foreign policy. It is in the interests of all people to oppose the arms race, preserve world peace, and expand international exchanges in all areas. We must make further efforts to unify the mainland and Taiwan by peaceful means.



25X1

25X6

**Page Denied**

Next 8 Page(s) In Document Denied

**Secret**

## Appendix C

### The Reconstituted Leadership

**Politburo****Standing Committee (in rank order)**

Hu Yaobang, General Secretary  
Deng Xiaoping  
Zhao Ziyang  
Li Xiannian  
Chen Yun

**Members (in alphabetical order)**

Fang Yi  
Hu Qiaomu  
Hu Qili  
Li Peng  
Ni Zhifu  
Peng Zhen  
Qiao Shi  
Tian Jiyun  
Wan Li  
Wu Xueqian  
Xi Zhongxun  
Yang Dezhi  
Yang Shangkun  
Yao Yilin  
Yu Qiuli

**Alternate members (in alphabetical order)**

Chen Muhua  
Qin Jiwei

**Secretariat (in rank order)**

Hu Yaobang, General Secretary  
Hu Qili  
Wan Li  
Yu Qiuli  
Qiao Shi  
Tian Jiyun  
Li Peng  
Chen Pixian  
Deng Liqun  
Hao Jianxiu  
Wang Zhaoguo

Secret

**Central Committee Members**

An Pingsheng  
 Ba Sang  
 Bai Jinian <sup>a</sup>  
 Bu He  
 Chen Bin  
 Chen Fuhan  
 Chen Guangyi <sup>a</sup>  
 Chen Huiwang <sup>a</sup>  
 Chen Lei  
 Chen Muhua (f)  
 Chen Pixian  
 Chen Puru  
 Chen Renhong  
 Chen Xitong  
 Chen Yun  
 Chi Biqing  
 Chi Haotian <sup>a</sup>  
 Cui Naifu  
 Cui Yueli  
 Dai Suli  
 Deng Jiaxian  
 Deng Liqun  
 Deng Xiaoping  
 Ding Guangen <sup>a</sup>  
 Fang Yi  
 Fu Kuiqing  
 Fu Quanyou <sup>a</sup>  
 Gao Di <sup>a</sup>  
 Gao Yangwen  
 Gu Mu  
 Gu Xiulian (f)  
 Guan Guangfu <sup>a</sup>  
 Guo Liwen (f)  
 Han Peixin  
 Hao Jianxiu (f)  
 He Dongchang  
 He Jingzhi  
 He Jinheng  
 He Kang  
 He Zhukang <sup>b</sup>  
 Hou Jie <sup>a</sup>  
 Hu Hong  
 Hu Jintao <sup>b</sup>

Hu Ping <sup>b</sup>  
 Hu Qiaomu  
 Hu Qili  
 Hu Sheng  
 Hu Yaobang  
 Hua Guofeng  
 Huang Huang <sup>a</sup>  
 Huang Zhizhen  
 Ismail Amat  
 Jia Chunwang <sup>a</sup>  
 Jiang Minkuan <sup>b</sup>  
 Jiang Xinxiong <sup>b</sup>  
 Jiang Yonghui  
 Jiang Zemin  
 Jiao Linyi  
 Kang Shien  
 Lang Dazhong  
 Li Chang'an <sup>b</sup>  
 Li Dongye  
 Li Guixian <sup>a</sup>  
 Li Jijun <sup>b</sup>  
 Li Jiulong <sup>a</sup>  
 Li Li'an  
 Li Ligong  
 Li Menghua  
 Li Ming <sup>b</sup>  
 Li Peng  
 Li Ruihuan  
 Li Senmao  
 Li Tieying <sup>b</sup>  
 Li Xiannian  
 Li Ximing  
 Li Xipu  
 Li Xu'e  
 Li Xuezhi  
 Li Yaowen  
 Li Ziqi  
 Liang Buting  
 Liao Hui <sup>a</sup>  
 Lin Liyun (f)  
 Lin Ruo  
 Liu Jingsong <sup>a</sup>

<sup>a</sup> Indicates new member.<sup>b</sup> Indicates promotion from alternate.<sup>c</sup> Indicates new alternate member.

Secret

40

Secret

Liu Lin	Wang Chenghan
Liu Zhengwei	Wang Chonglun
Liu Zhenhua	Wang Fang
Lu Peijian	Wang Guangyu
Luo Qingchang	Wang Guangzhong
Ma Xingyuan	Wang Hai <sup>a</sup>
Mao Zhiyong	Wang Hanbin
Mo Wenxiang	Wang Kewen
Mu Qing	Wang Meng
Ni Zhifu	Wang Meng <sup>b</sup>
Peng Chong	Wang Quanguo
Peng Zhen	Wang Renzhi <sup>b</sup>
Pu Chaozhu <sup>a</sup>	Wang Renzhong
Qian Liren <sup>a</sup>	Wang Senhao <sup>a</sup>
Qian Qichen <sup>b</sup>	Wang Tao <sup>a</sup>
Qian Yongchang	Wang Zhaoguo
Qian Zhengying (f)	Wei Jianxing <sup>b</sup>
Qiang Xiaochu	Wei Jinshan <sup>b</sup>
Qiao Shi	Wu Jinghua
Qiao Xiaoguang	Wu Quanqing
Qin Chuan	Wu Shaozu <sup>a</sup>
Qin Jiwei	Wu Weiran <sup>b</sup>
Qin Zhongda	Wu Wenyng (f) <sup>b</sup>
Rao Xingli	Wu Xueqian
Redi	Xi Zhongxun
Ruan Chongwu <sup>a</sup>	Xiang Nan
Rui Xingwen <sup>a</sup>	Xiang Shouzhi
Seypidin	Xie Feng
Shen Tu	Xie Xide (f)
Shen Yinluo	Xing Chongzhi <sup>b</sup>
Song Jian <sup>b</sup>	Xing Yanzi (f)
Song Ping	Xiong Qingquan <sup>b</sup>
Su Gang	Xu Huizi <sup>a</sup>
Su Yiran	Xu Shaofu
Sun Weiben <sup>b</sup>	Xue Ju
Tang Ke	Yan Dongsheng
Tian Jiyun	Yang Bo
Tomur Dawamat	Yang Chengwu
Wan Da	Yang Dezhai
Wan Haifeng	Yang Dezhong
Wan Li	Yang Di
Wan Shaofen (f) <sup>a</sup>	Yang Jingren
Wang Bingqian	
Wang Chaowen	

<sup>a</sup> Indicates new member.<sup>b</sup> Indicates promotion from alternate.<sup>c</sup> Indicates new alternate member.

Secret

Yang Rudai	Zhao Zhijian
Yang Shangkun	Zhao Ziyang
Yang Taifeng	Zheng Tuobin
Yang Xizong <sup>b</sup>	Zhou Guangzhao <sup>b</sup>
Yang Zhengwu <sup>b</sup>	Zhou Hui
Yao Guang	Zhou Jiannan
Yao Yilin	Zhou Keyu <sup>a</sup>
Ye Fei	Zhou Shizhong
Ye Xuanping <sup>b</sup>	Zhu Guangya
Yin Fatang	Zhu Houze <sup>b</sup>
Yin Kesheng <sup>a</sup>	Zhu Xun <sup>b</sup>
Yin Yuan	Zhu Yunqian
You Taizhong	Zou Jiahua <sup>b</sup>
Yu Hongen	
Yu Mingtao	
Yu Qiuli	
Zhang Guoying (f) <sup>a</sup>	
Zhang Jingfu	
Zhang Shou	
Zhang Shuguang	
Zhang Zaiwang	
Zhang Ze	
Zhao Haifeng	
Zhao Nanqi	
Zhao Xianshun <sup>a</sup>	
Zhao Xingyuan	

Secret

Secret

**Central Committee Alternate Members**

Ai Zhisheng <sup>c</sup>	Lin Jianqing
An Zhiwen	Lin Yincai
Batubagen	Liu Guiqian
Chen Mingyi (f) <sup>c</sup>	Liu Guoguang
Chen Suzhi	Liu Guofan <sup>c</sup>
Chen Ying	Liu Haiqing
Chen Zuolin	Liu Hongru
Dan Zeng <sup>c</sup>	Liu Ronghui <sup>c</sup>
Ding Fengying (f)	Liu Shusheng
Ding Henggao <sup>c</sup>	Liu Weiming
Ding Tingmo <sup>c</sup>	Liu Yi
Dong Jichang	Liu Youfa
Dong Zhanlin	Liu Yujie (f)
Fang Weizhong	Liu Yunshan <sup>c</sup>
Gaisang Doje	Lu Gongxun
Gao Dezhuan	Lu Liangshu
Gao Zhanxiang	Lu Maozeng
Gong Benyan	Lu Yongxiang <sup>c</sup>
Han Ruijie	Luo Gan
Han Xu	Luo Shangcai
He Guangyuan	Ma Hong
He Guoqiang <sup>c</sup>	Ma Ming
Hei Boli	Ma Sizhong
Huang Demao	Ma Zhongchen
Huang Ganying (f)	Nian Dexiang
Huang Shu	Nie Kuiju
Janabil	Pan Rongwen
Jiang Hongquan <sup>c</sup>	Peng Shilu
Jiang Xiesheng	Qi Yuanjing <sup>c</sup>
Jin Baosheng	Qiao Xuetung
Jin Jian <sup>c</sup>	Qiao Zonghuai <sup>c</sup>
Keyum Bawudun <sup>c</sup>	Quan Shuren <sup>c</sup>
Li Bing	Ren Rong
Li Changchun <sup>c</sup>	Song Defu <sup>c</sup>
Li Deshu <sup>c</sup>	Song Hanliang <sup>c</sup>
Li Feng	Sun Jiazheng <sup>c</sup>
Li Gang	Sun Tongchuan <sup>c</sup>
Li Huifen	Sun Wensheng <sup>c</sup>
Li Ruishan	Tang Zhongwen
Li Shoushan	Tian Shixing
Li Shuzheng (f)	Wang Fuzhi
Liang Chenye	Wang Jialiu (f)
Liang Dongcai	

<sup>a</sup> Indicates new member.<sup>b</sup> Indicates promotion from alternate.<sup>c</sup> Indicates new alternate member.

Secret

Wang Jiangong	Yuan Weimin <sup>c</sup>
Wang Linhe	Zhang Boxiang
Wang Qun	Zhang Gensheng
Wang Xuezhen	Zhang Jianmin
Wang Yuefeng	Zhang Lichang <sup>c</sup>
Wang Yuzhao <sup>c</sup>	Zhang Wannian
Wang Zongchun <sup>c</sup>	Zhang Wanxin
Wei Mingyi	Zhang Xiang
Wu Bangguo <sup>c</sup>	Zhang Xintai
Wu Guanzheng <sup>c</sup>	Zhang Xudeng
Wu Lengxi	Zhang Zhongxian <sup>c</sup>
Wu Xiangbi	Zhao Di <sup>c</sup>
Wu Zuqian	Zhao Dongwen
Xie Fei	Zhao Zongnai
Xing Zhikang	Zheng Guangdi (f)
Xu Qin	Zheng Hua <sup>c</sup>
Xu Shiqun <sup>c</sup>	Zhou Aqing
Xu Xin	Zou Jingmeng
Yan Zheng	
Yang Guoliang <sup>c</sup>	
Yang Haibo	
Yang Yongliang	
Yang Zhong <sup>c</sup>	
Yangling Doje	
Yin Changmin	
Yin Jun	
Yu Hongli	
Yu Zhenwu	
Yuan Fanglie	
Yuan Jun	

<sup>a</sup> Indicates new member.

<sup>b</sup> Indicates promotion from alternate.

<sup>c</sup> Indicates new alternate member.

Secret

44

Secret

## Resignations

### Resigned From Politburo

Deng Yingchao (f)  
 Li Desheng  
 Nie Rongzhen  
 Song Renqiong  
 Ulanhu  
 Wang Zhen  
 Wei Guoqing  
 Xu Xiangqian  
 Ye Jianying  
 Zhang Tingfa

Qin Yingji  
 Ren Zhongyi  
 Song Renqiong  
 Sun Daguang  
 Tan Qilong  
 Tan Shanhe  
 Tan Youlin  
 Tie Ying  
 Ulanhu  
 Wang Enmao  
 Wang Heshou  
 Wang Zhen  
 Wei Guoqing  
 Xiao Han

### Resigned From Secretariat

Gu Mu  
 Xi Zhongxun  
 Yao Yilin

Xiao Quanfu  
 Xie Zhenhua  
 Xu Jiatun  
 Xu Xiangqian  
 Yang Yichen  
 Ye Jianying  
 Yuan Baohua  
 Zhang Aiping  
 Zhang Tingfa  
 Zhang Zhen  
 Zhang Zhixiu  
 Zhao Cangbi  
 Zhao Shouyi  
 Zheng Sansheng  
 Zhou Zijian  
 Zhu Muzhi

### Members Retired From Central Committee

Bai Dongcai  
 Chen Guodong  
 Chen Weida  
 Deng Yingchao (f)  
 Han Xianchu  
 Hong Xuezhi  
 Hu Lijiao  
 Huang Hua  
 Huang Xinting  
 Jiang Nanxiang  
 Kang Keqing (f)  
 Li Desheng  
 Li Qiming  
 Li Rui  
 Liang Biye  
 Liang Lingguang  
 Liao Hansheng  
 Lin Hujia  
 Liu Fuzhi  
 Liu Huaqing  
 Liu Zhen  
 Liu Zhijian  
 Lu Dadong  
 Ma Wenrui  
 Nie Rongzhen

Secret

**Alternate Members Retired From Central Committee**

Gao Houliang  
Li Huamin  
Liu Minghui  
Qian Xuesen  
Sun Guozhi  
Wang Dongxing  
Wang Jinshan  
Wang Liusheng  
Wang Qian  
Yu Sang



25X1

Secret

**Secret**

**Secret**